

**EXHIBIT 18**

**9/28/12 ZAVIN DECLARATION**

**CASE NO. 12-4175-WHP**



**LeAnn Piotrowski**

**From:** Nunzio Castellano <nucastel@gmail.com>  
**Sent:** Thursday, January 05, 2012 6:58 PM  
**To:** Dylan Bates  
**Subject:** PolTV 2011  
**Attachments:** PolTV 2011.xlsx; ATT2583840.htm

Hello Dylan,

Hope all is well. Please find the attached report reflecting PolTV's 2011 subscriber activity and month to month P&L.

**Subscribers:** As the reports suggest, we have built some good momentum and December proved to be our best month to date. What is most encouraging is the low cancellation rate of 10-12% for NOV/DEC. This is due to a combination of factors including us tightening our return policy, but the primary reason is better, more reliable service. We have recently had some issues with ITVN, resulting in A LOT of tech support calls and frustration, but it appears to be fixed. We will be at 2000 subs by the end of January and while this will be far below what Tony and Drilon had originally estimated for you, I think it should be noted that this is not easy to do and I am proud of what our staff has been able to accomplish, all things considered.

**PolTV Platform:** We recently added a new channel to the lineup, WTK, at a cost of .18 per subscriber. We have agreed in principle with two other channels, PoloTV and TVR, for similar cost, and we expect to add these within the next 30 days. Our developers are currently working on the ability to stream our services on mobile devices--this will be a very cool feature. There still is room for improvement with some of the platform features including some quirky elements on the guide and channel listings, but these changes are of lower priority. All in all it is much improved from when we started.

**Set Top Boxes:** I have been keeping a daily inventory of all set top boxes with the help of a german-pol named Lukasz Schmidt, one of my favorite employees, so there will be no discrepancies with regards to this. Intercom is on the hook for the cost of these, so please let me know how you would like to handle this, especially in consideration of how you intend to unwind your position in Katalyst Ventures.

**Finance:** We're basically crippled right now by a lack of funds and anything else I could possibly update you on really does not matter. It's incredibly frustrating given the amount of time and effort that we all have put into this venture, not to mention the millions that you invested. At this point I find it ironic. We are finally making real progress and while the initial projections were way off, this is still salvageable. It would require renegotiation of the TVN and TVP contracts and some bridge funding to last us between now and July. I keep going back to that phone call when things blew up and can't believe the arrogance and stupidity. I have been trying to remain positive but it's hard. Between the vendors calling and channel partners questioning why we're late with payments it's very difficult to actually work. Today just happened to be particularly bad. And on top of it all, I am the only one here in the country to deal with it. It will all come to a conclusion soon if nothing is done. I know the type of money you stand to lose and I can't help but feel like something *can* be done to prevent it. We are on the verge...

Let me know your thoughts or if you want to meet up to discuss further. I will get back to more frequent updates if you prefer, but there is nothing material to update you on with regards to any potential investors or buy out. While I am encouraged by some of the decisions that have recently been made by team Albania I can't

help but feel gravely concerned about how they are currently handling this situation. I will continue to do the best I can, all things considered.

Best,

**Nunzio Castellano**  
312.203.1180  
fax 312.268.5444  
nucastel@gmail.com